

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The State Budget Law of the Civil Administrative
5 Code of Illinois is amended by changing Section 50-5 and by
6 adding Section 50-5.5 as follows:

7 (15 ILCS 20/50-5) (was 15 ILCS 20/38)

8 Sec. 50-5. Governor to submit State budget. The Governor
9 shall, as soon as possible and not later than the first
10 Wednesday in March in 2007 (March 7, 2007) and the third
11 Wednesday in February of each year beginning in 2008, except as
12 otherwise provided in this Section, submit a State budget,
13 embracing therein the amounts recommended by the Governor to be
14 appropriated to the respective departments, offices, and
15 institutions, and for all other public purposes, the estimated
16 revenues from taxation, the estimated revenues from sources
17 other than taxation, and an estimate of the amount required to
18 be raised by taxation. In 2004 only, the Governor shall submit
19 the capital development section of the State budget not later
20 than the fourth Tuesday of March (March 23, 2004). The amounts
21 recommended by the Governor for appropriation to the respective
22 departments, offices and institutions shall be formulated
23 according to the various functions and activities for which the

1 respective department, office or institution of the State
2 government (including the elective officers in the executive
3 department and including the University of Illinois and the
4 judicial department) is responsible. The amounts relating to
5 particular functions and activities shall be further
6 formulated in accordance with the object classification
7 specified in Section 13 of the State Finance Act.

8 The Governor shall not propose expenditures and the General
9 Assembly shall not enact appropriations that exceed the
10 resources estimated to be available, as provided in this
11 Section.

12 For the purposes of Article VIII, Section 2 of the 1970
13 Illinois Constitution, the State budget for the following funds
14 shall be prepared on the basis of revenue and expenditure
15 measurement concepts that are in concert with generally
16 accepted accounting principles for governments:

- 17 (1) General Revenue Fund.
- 18 (2) Common School Fund.
- 19 (3) Educational Assistance Fund.
- 20 (4) Road Fund.
- 21 (5) Motor Fuel Tax Fund.
- 22 (6) Agricultural Premium Fund.

23 These funds shall be known as the "budgeted funds". The
24 revenue estimates used in the State budget for the budgeted
25 funds shall include the estimated beginning fund balance, plus
26 revenues estimated to be received during the budgeted year,

1 plus the estimated receipts due the State as of June 30 of the
2 budgeted year that are expected to be collected during the
3 lapse period following the budgeted year, minus the receipts
4 collected during the first 2 months of the budgeted year that
5 became due to the State in the year before the budgeted year.
6 Revenues shall also include estimated federal reimbursements
7 associated with the recognition of Section 25 of the State
8 Finance Act liabilities. For any budgeted fund for which
9 current year revenues are anticipated to exceed expenditures,
10 the surplus shall be considered to be a resource available for
11 expenditure in the budgeted fiscal year.

12 Expenditure estimates for the budgeted funds included in
13 the State budget shall include the costs to be incurred by the
14 State for the budgeted year that are to be paid in the next
15 fiscal year, excluding costs paid in the budgeted year which
16 were carried over from the prior year, where the payment is
17 authorized by Section 25 of the State Finance Act. For any
18 budgeted fund for which expenditures are expected to exceed
19 revenues in the current fiscal year, the deficit shall be
20 considered as a use of funds in the budgeted fiscal year.

21 Revenues and expenditures shall also include transfers
22 between funds that are based on revenues received or costs
23 incurred during the budget year.

24 By March 15 of each year and until the Revenue Estimating
25 Council is established, the Commission on Government
26 Forecasting and Accountability shall prepare revenue and fund

1 transfer estimates in accordance with the requirements of this
2 Section and report those estimates to the General Assembly and
3 the Governor.

4 For all funds other than the budgeted funds, the proposed
5 expenditures shall not exceed funds estimated to be available
6 for the fiscal year as shown in the budget. Appropriation for a
7 fiscal year shall not exceed funds estimated by the General
8 Assembly to be available during that year.

9 (Source: P.A. 93-1, eff. 2-6-03; 93-662, eff. 2-11-04; 93-1067,
10 eff. 1-15-05; 94-1108, eff. 2-16-07.)

11 (15 ILCS 20/50-5.5 new)

12 Sec. 50-5.5. Revenue Estimating Council.

13 (a) There is created a Revenue Estimating Council,
14 consisting of the Governor, the State Comptroller, and the
15 co-chairs of the Commission on Government Forecasting and
16 Accountability (who together shall have one vote on the
17 Council), or their designees.

18 (b) By February 1, 2009 and by February 1 of each year
19 thereafter, the Revenue Estimating Council must prepare
20 revenue and fund transfer estimates in accordance with the
21 requirements of Section 50-5 and report those estimates to the
22 General Assembly. In addition to the revenue and transfer
23 estimates, the Revenue Estimating Council must certify an
24 estimate of all income of the State from all applicable revenue
25 sources for the next ensuing fiscal year and of any other funds

1 estimated to be available for that fiscal year.

2 Notwithstanding any other provision of this subsection,
3 for the purpose of determining the estimates under this Section
4 for fiscal year 2010, the Revenue Estimating Council must use
5 the prior year's estimated general funds revenues as determined
6 by the Commission on Government Forecasting and
7 Accountability.

8 By May 1, 2009 and by May 1 of each year thereafter, the
9 Revenue Estimating Council must issue a report updating the
10 estimates required under this subsection as may be required
11 based on more recent information. Upon its issuance, the
12 Revenue Estimating Council must submit the revised report to
13 the Governor and the General Assembly. The General Assembly may
14 disapprove the report in whole or in part within 60 calendar
15 days after its delivery to the General Assembly by adoption of
16 a resolution by a record vote of a majority of the members
17 elected in one house.

18 (c) Prior to the beginning of the fiscal year, the Revenue
19 Estimating Council must prepare a cash flow estimate of the
20 general funds, identifying estimated revenues and cash
21 expenditures for each quarter of the fiscal year. Each quarter
22 of the fiscal year, the Revenue Estimating Council must review
23 the revenue and cash expenditure estimates and issue a report
24 to the Governor and the General Assembly containing updates of
25 the estimates required under this subsection and notification
26 of potential budgetary shortfalls.

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.